

Re-recognition of the Practice in Economic, Trade and Investment Cooperation along “the Belt and Road”

—based on project cases perspective

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Abstract: The “the Belt and Road” initiative has been put forward and implemented for six years, the projects of “the Belt and Road” have made great achievements. It not only brings great benefits to the economic and social development of the countries along the route, but also has great significance for the economic development of China and other countries participating in the operation. It has promoted the healthy and sustainable development of the economic globalization and the world economy; It is conducive to the construction of the Community of Shared Future for Mankind, Community of Interests and Community of Responsibility.

1. Introduction

In 2013, China put forward the "the Belt and Road" initiative to the world. Over the past six years, China has made full use of its comparative advantages, docked the development needs of countries along the line, and moved forward all the way around the goal of the "five links", gradually turning the initiative into action and turning ideas into practice. Both "the Silk Road Economic Belt" and "the 21st-Century Maritime Silk Road" have made unprecedented progress in economic, trade and investment cooperation and achieved unprecedented results. Through the construction of the "the Belt and Road" project, China has contributed its wisdom, China's plan and China's strength to promote economic globalization and changed the imbalance of regional economic development through practical actions. Under the background of China's economic development entering a new era, from a close and microscopic perspective, we comb out and thoroughly examine the case experience of “the Belt and Road”, and further recognize the core connotation of the initiative、 the mechanism and operation rules of the initiative, so as to strengthen the accurate understanding and wide recognition of " the Belt and Road " at home and abroad. It is of great theoretical and practical significance to further consolidate consensus, construct a new pattern of China's opening up, deepen supply-side reform and achieve high-quality development of China's economy.

2. Projects' status

In the past 6 years, the construction of “the Belt and Road ” is a process of ramming bases and supporting beams, and is also a process for all kinds of projects to take root, bear fruit, and bear high quality. With the implementation of " the Belt and Road " initiative, a large number of project agreements have been landed, a large number of projects have been started, a large number of projects have been steadily advancing, a large number of projects have been successfully completed and effectively operated, and a large number of new projects have reached the intention of cooperation. The projects about China's " the Belt and Road " initiative has covered Asia, Europe,

Africa, Oceania and Latin America in terms of economic, trade and investment cooperation. The projects include not only railway, port, energy, highway, bridge, pipeline network, municipal facilities and other infrastructure, but also non-energy, chemical, steel, building materials, manufacturing, finance and services, agriculture, fisheries, other industries and departments. By the beginning of 2019, Chinese enterprises had established 82 overseas economic and trade cooperation zones in 24 countries along the line, with a total investment of 30.45 billion US dollars, 4,098 enterprises entering the zones, and established two cross-border cooperation zones. The contract value of foreign contracted projects exceeded 50 billion US dollars, and the outward foreign direct investment exceeded 80 billion US dollars, taxes and fees of 2.01 billion US dollars were paid for the host countries. It has created 244,000 jobs and trained a large number of technical, managerial and operational personnel for the relevant local industries. Existing projects include not only solely Chinese-owned projects, but also joint ventures with the host countries, and joint ventures with multinational enterprises. The Chinese enterprises participating in the project are not only state-owned enterprises in China, but also private enterprises in China. The foreign cooperative enterprises participating in the projects are not only enterprises from developing countries, but also enterprises from developed countries. From the point of view of project cooperation mode, it has evolved from the initial infrastructure cooperation, international capacity cooperation, trade and investment cooperation, financial cooperation and other relatively single modes to diversified and multi-level cooperation modes, such as value chain cooperation, third-party market cooperation and capacity-building; In particular, the third-party market cooperation has created a new model of international cooperation and attracted the active participation of many developed countries.

3. International Significance of the Project Cases

The primary goal of the Projects is to promote economic development and achieve win-win results. The projects respond to the desire of countries along the line to accelerate development, so that the developing countries along the line can betterly participate in the global division of labor, obtain more development opportunities, improve economic and social development conditions, promote local economic prosperity, improve people's livelihood, enhance people's well-being, and release the development potential of various countries, provide greater momentum for world economic growth. Major projects are the key to achieving effective results in building "the Belt and Road ". Through the construction of railways, highways, ports, energy pipelines and information infrastructure projects, the host countries have not only realized the interconnection, but also facilitated the inter regional and subregional maritime, land, airport and network connections. The interconnection between the countries along the line has improved the level of transportation convenience and safety of residents along the route, shortened the space-time distance, reduced the cost of enterprise development, promoted the orderly and free flow of economic factors, efficient allocation of resources and deepened integration of markets in the countries, also shortened the digital divide with the developed countries, and made the word linked closely. Also, the energy structure of the countries along the line has been rationalized and the energy security level of the countries has been improved. Through the projects such as capacity cooperation, overseas economic and trade cooperation zones and cross-border cooperation zones, the countries have developed new regional economic cooperation platforms, improved the investment environment, stimulated the volume advantages, resource endowment advantages, location advantages, industrial advantages and synergistic advantages of different regions along the line, and promoted the formation of industrial clusters and whole industrial chains. It has even filled some industrial gaps in some countries, promoted some developing countries to gradually establish their manufacturing base, realized industrial upgrading and product upgrading, and developed new momentum, promoted the industrialization and urbanization process of the countries along the line, and enhanced the endogenous development capacity of regional economic growth. It has filled the "depression" and "gap" in globalization. The construction and operation of the projects can not only better solve the problems of unbalanced development, fragmentation of international cooperation and development deficit, but also further strengthen the multilateral cooperation mechanism, strengthen

communication among the relevant countries, and promote more countries and regions to participate in consultation, co-construction and sharing. A large number of successful cases in the construction of the "the Belt and Road" projects have effectively countered the anti-globalization actions in the world economic field, such as trade protectionism, unilateralism and hegemonism, and provided a new impetus for promoting the healthy development of economic globalization.

The implementation of the projects is conducive to sharing the advanced experience of China's manufacturing industry, improving the business ability and operational efficiency of the local enterprises, enhancing the international competitiveness for the host countries, and also deepening the awareness to "the Belt and Road" initiative and producing strong demonstration effect for the countries along the line. Successful implementation of the projects has become an effective window for the host governments, enterprises, society and people to contact China and understand China. It is also an effective window for Chinese standards, Chinese technology, Chinese equipment, Chinese services, Chinese speed, Chinese efficiency and CSR of Chinese enterprises to go abroad. It not only change the host countries' doubts about "made in China" with practical actions, but also is a powerful weapon countering strongly the prejudices and blackened actions for China's "the Belt and Road" initiative and Chinese enterprises in the world. Through the "the Belt and Road" projects, China's domestic market has been continuously strengthened, so that the superior products, technologies and services of the enterprises along the line can enter into China, sharing the fruits of China's economic development, and bring new opportunities to China's regional economic development; Project construction promotes the cooperation in joint R&D, the sharing of scientific and technological facilities, the personnel exchange and information exchange, and make cooperation expand from limited fields to all-round cooperation. Through the "the Belt and Road" project construction, China's equipment, technology, standards and funds have further entered the world, creating a broader space for domestic economic transformation and upgrading, and promoting the reconstruction of China's international industrial chain. "the Belt and Road" projects have opened up a new pattern of China's foreign trade and economic cooperation and outward foreign direct investment, interpreted and practiced the Silk Road spirit of peaceful cooperation, openness and tolerance, mutual learning, mutual benefit and win-win results with practical results.

The implementation process of the "the Belt and Road" projects have enabled the countries along the line, especially the developing countries, to share the successful development experience and development model of China. China has selflessly contributed the concept of realizing modernization and constantly improving people's living standards simultaneously formed in China's domestic development; an open development model centered on economic construction and promoting reform; a government responsibility orientation basing on its own characteristics and playing a active role in economic and social development; China's successful experience with prior infrastructure development and park construction as the main contents to the countries. China also provides the successful regional economic development models such as Shenzhen Model, Shekou Model and Kunshan Model, in order to provide useful experience and more options for the industrialization and modernization process of the countries along the line. It is helpful for the countries along the route to allocate global resources efficiently, reshape the global division of labor system, crack the development deficit and the governance deficit, and enhance the endogenous motive force of economic development. It is of positive significance to boost the global economy, enhance the international economic status of the developing countries and build an open world economy.

4. The Significance of the Project Cases to China's High Quality Development and Supply-side Reform

The "the Belt and Road" projects have effectively promoted the steady growth of the domestic economy, the balanced development of the regional economy, the optimization of industrial layout, the rationalization of the industrial structure, and the continuous transformation and upgrading. In the process of project participation, Chinese enterprises have strengthened their internationalization operation experience, smelt business ability, improved R&D innovation ability through technology

tackling, and promoted the high quality development of the domestic upstream and downstream industries through technology spillover effect and pulling effect of product export. The transnational operation of Chinese enterprises also contributes to the establishment of modern enterprise system, the shaping of enterprise brand value and the cultivation of enterprise culture. The international competitiveness of Chinese enterprises is further enhanced through power conversion, efficiency change, innovation capability improvement and corporate image enhancement. Participating in the "the Belt and Road" projects has innovated the mode and mechanism of transnational cooperation of the China's multinational enterprises, adhered to the concept of green development to adapt to market demand, and promoted the transformation, upgrading and high-quality development of Chinese enterprises themselves. In cooperation with the third party countries in the "the Belt and Road" market, we share a broad demographic dividend and consumer market, and avoid vicious competition. Multinational corporations from the developed countries have ran for a long time in developing countries with rich experience. Chinese enterprises have effectively docked with high-level teams in developed countries by seeking cooperation opportunities, learned a lot of globalization experience, effectively avoided potential risks, avoided repeating past lessons, and improved the operating efficiency of Chinese enterprises going out. By deepening international capacity cooperation, China has promoted domestic superior capacity, high-quality equipment and suitable technology to go abroad, and enhanced the domestic capacity of technology R&D and production. The project construction along the line also makes up for the shortage of energy resources and improves the energy security of China, realizes the extension and upgrading of value chain that include supply chain, production chain, logistics chain, the global layout of innovation chain, and promotes the upgrading of the related industries in China.

The projects "going out" is a hard process of learning, running in and exploring. In the process of entering "the Belt and Road" market, Chinese enterprises face the fierce competition. They are constantly learn and adapt to the soft and hard constraints of the host countries, which are politics, economy, investment environment, legal provisions, system standards, social and cultural environment, and have consolidated and cultivated in the markets, and also gained a firm foothold in the markets of the developed countries along the line. The form of Chinese enterprises participating in the construction of "the Belt and Road" has changed from the original single mode of product export to the integrated mode of product, technology, manufacturing, service and management export, and from the internationalized mode of single enterprise going to sea to the joint mode of industrial cluster going to sea. In the process of participating in the construction of "The Belt and Road" projects, Chinese enterprises have accumulated abundant experience in international operation, further strengthened their confidence in entering the international market, and also played the role of "pathfinder and pioneer" for domestic enterprises to go out further. In the process of project construction, Chinese enterprises have implemented localization strategy, which not only achieves localization of resources, localization of talents, localization of management and operation, but also realizes localization of patents and technological innovation, and enabled themselves to deeply integrate into the local society and market. The implementation of the projects also provides a broader international market for Chinese enterprises' products, technologies and services, further extends the value chain of Chinese enterprises' superior productivity, and also provides new opportunities for Chinese enterprises to improve their supply chain, industrial chain and value chain. It has expanded the cooperation space and platform with the enterprises all over the world including the countries along the line, explored new models of high-end business, and opened up a new pattern of international business development for Chinese enterprises. Through "going out" of high-quality products and services, Chinese brands will be promoted to "going out", and the brand value of Chinese enterprises will be transmitted to global consumers, accordingly enhance the international recognition and popularity of Chinese enterprises' brands. Chinese enterprises realized the initial vision of "the Belt and Road" with actual performance, which confirmed the great scientificity and feasibility of the initiative and laid a solid foundation for further quality participation in economic and trade cooperation.

5. The Significance of Project Case to the Interconnection of the People's Heart

Economic communication is the most basic way of human communication. Regardless of the depth, breadth and sustainability of communication, or the actual results, the "the Belt and Road" projects have incomparable advantages in realizing the common aspiration of the people along the line. Enterprises are not only the main body of the market to build "the Belt and Road" projects, but also the carrier to realize the common aspiration of the people in "The Belt and Road". Chinese enterprises represent the pursuit of the new era, and take on a unique mission in the implementation of "the Belt and Road" cooperation initiative. Chinese enterprises use economic, trade and investment cooperation projects to promote human and technological exchanges, benefit the countries and people along the line, and inject new vitality into the opening economic development of the countries. Chinese enterprises have close economic relations with local governments, enterprises, employees and all social strata through various project construction. They interpret China's speed, China's quality, China's standards and environmental protection concepts with their achievements, and show the image, business ability of Chinese enterprises to the enterprises and society in the countries. "the Belt and Road" Projects are also a popular projects. Chinese enterprises, adhering to the correct concept of righteousness and benefit, actively assume corporate social responsibility, provide selfless assistance in many fields, such as, road traffic, medical care, education and culture in the host countries and devote themselves to the local society. Through project cooperation, Chinese enterprises have made a real and three-dimensional statement of the "the Belt and Road" story with real performance, narrowing the psychological distance between the two peoples, winning the support of the host countries' government and people, and further promoting the smooth implementation of the projects.

6. Conclusions and recommendations

The globalization of the world economy and regional economic integration are the general trend of world economic development. Development and cooperation are still the theme of today's world. It is also a historical necessity for China to integrate deeply into the world economy by the means such as "the Belt and Road". The success of "the Belt and Road" projects have greatly enhanced the enthusiasm and confidence of China and the countries along the line. It has fully demonstrated the scientific nature, feasibility and vitality of the initiative. Of course, it still needs a long process for Chinese enterprises to adapt the international competitive environment, and make steady progress, as well as to understand and accept the China's initiative for much more "the Belt and Road" countries and other developed countries. At present, the construction of "the Belt and Road" projects has entered a new stage. Under the premise of keeping China's domestic economy more open and stable, as long as we maintain sufficient strategic focus and strategic endurance, we should not ignore problems and avoid contradictions, and combine strong wishes, enthusiasm, wisdom, effective experience and our own advantages, sticking to the principle of "consultation, co-construction and sharing", adhering to the concept of "open, green and honest", and striving to achieve the goal of "high standards, benefiting people's lives and sustainable development", and carrying out all-round and deeper cooperation with our partners, we will surely achieve greater achievements in the construction of "The Belt and Road" projects.

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